

Agenda Date: March 15, 2007
Agenda Placement: Admin
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Ron Tan, Planning and Technology Supervisor (961-8812)

SUBJECT: Old Car Buyback Program

RECOMMENDATION:

Authorize the Air Pollution Control Officer to increase the funding amount for the Old Car Buyback Program by \$150,000 with the option of an additional \$100,000 increase if community interest justifies it.

SUMMARY:

The Santa Barbara Air Pollution Control District (APCD) has successfully implemented several Old Car Buyback programs since the early 1990's with the most recent program approved by your Board on March 16, 2006. This latest program began retiring light-duty vehicles on May 1, 2006. There has been tremendous community interest in the program from the beginning and as of February 21, 2007 the APCD has retired 391 vehicles, resulting in the reduction of more than 43 tons of ozone precursors (NO_x + ROG). Staff recommends that your Board authorize the Air Pollution Control Officer (APCO) to approve an additional program funding of \$250,000 (\$150,000 to start with an option for an additional \$100,000 if program interest justifies the funding increase). This proactive measure is structured similar to the March 16, 2006 and June 15, 2006 Board actions and will ensure that the program will continue without interruptions which might result from delays in obtaining additional funding allocations.

DISCUSSION:

The goal of an Old Car Buyback program, also known as a Voluntary Accelerated Vehicle Retirement program, is to retire older, higher polluting vehicles prior to the end of their expected lifetime, thereby eliminating air pollution emissions associated with their operation. Real emission reductions can be achieved from this strictly voluntary program as the target vehicles are still fully operational and therefore have some useful life remaining. Vehicles meeting the eligibility requirements of the program must be retired by dismantling the vehicle to such a degree that the vehicle is rendered unusable.

On March 16, 2006 your Board approved a Grant Agreement with Environmental Engineering Services (EES) to implement the Old Car Buyback Program. The grant initially allocated to the program \$150,000 and gave the APCO the authority to increase the funding amount to \$250,000 if justified by demand. Approximately 100 vehicles were accepted within the first two weeks of the start of the program, and the APCO authorized the \$100,000 increase in program funding on May 15, 2006. On June 15, 2006 your Board authorized the APCO to increase the funding amount for the Old Car Buyback Program by \$150,000 with the option of an additional \$100,000 increase if community interest in the program justifies it. The APCO authorized the latest \$100,000 program increase on January 2, 2007 bringing the total program allocation to \$500,000.

As of February 21, 2007 the APCD has retired 391 vehicles, resulting in the reduction of more than 43 tons of ozone precursors (NO_x + ROG), with the average model year of 1983 at an average cost-effectiveness of \$9,800 per ton of NO_x, ROG and PM reduced. See Figures 1 and 2 for a summary of the program's performance as of February 21, 2007.

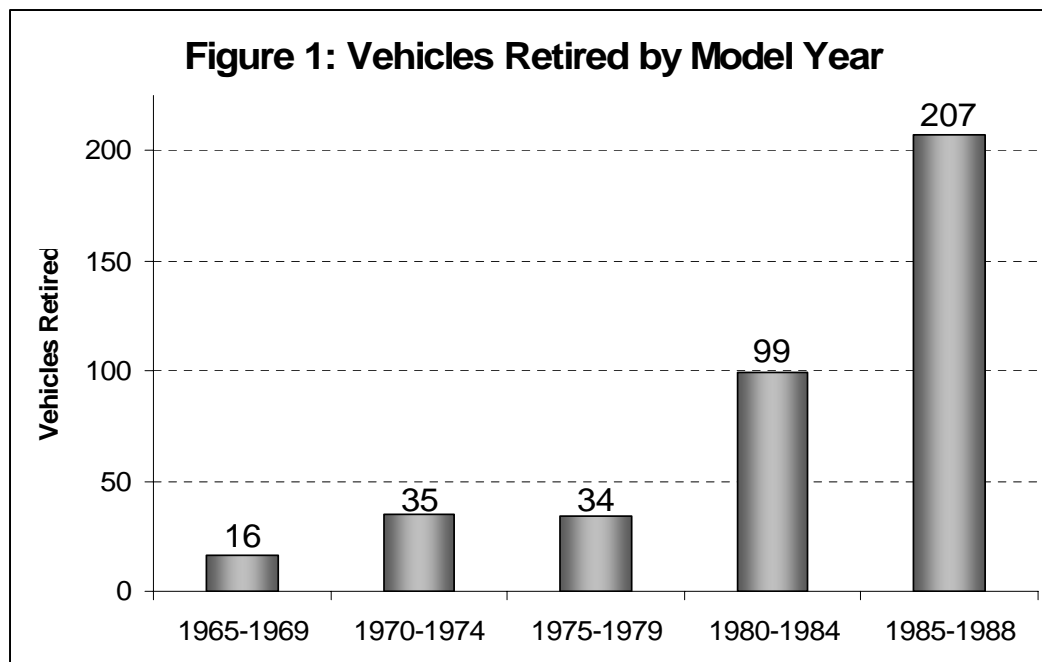
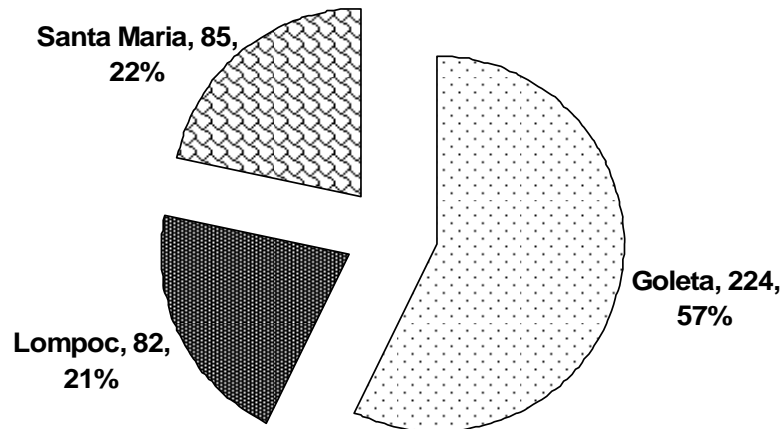


Figure 2: Vehicles Retired by Dismantler Location
(Facility location, # of cars retired, % of total)



In order for the program to continue without interruptions from delays in authorizing additional funding allocations, staff recommends your board authorize the APCO to approve an additional program funding of \$250,000 (\$150,000 to start and an option for an additional \$100,000 if program interest justifies the funding increase). This proactive measure is structured similar to the March 16, 2006 and June 15, 2006 Board actions and will bring the total funding allocation for this program to \$750,000. Any program funding increases will be authorized through written notice and the concurrence with the grantee and will be included as an item in the subsequent Board meeting.

FISCAL IMPACT

Funding and appropriations for this program are in the APCD FY06-07 budget, will be in the FY07-08 budget, and will come from either the Carl Moyer Program or the Department of Motor Vehicle surcharge fees.